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**SEPTEMBER 7, 2006** 

Mr.. Alan Muller, Green Delaware [P.O. Box 69, PORT PENN, DELAWARE 19731]

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IN THE MATTER OF INTERGRATE RESOURCE PLANNING OFR THE PROVISION OF STANDARD OFFER SUPPLY SERVICE BY THE DELMARVA POWER AND LIGHT COMPANY UNDER 26 DEL. C. SECTION 1007 (c) & (d): REVIEWING AND APPROVAL OF THE REQUEST FOR PROPOSALS FOR THECONSTRUCTION OF NEW GENERATION RESOURCES UNDER 26 DEL. C. SECTION 1007 (d) AUGUST 18 2006

Dear Mr. Muller:

I have drafted this letter in response to your comments, which you sent to us via email and in response to our phone conversation of September 6, 2006. Although you agree with our recommendations filed in the above captioned manner, you expressed concerns to our comments with regard to NRG and its Indian River generation facility.

In response to your inquiry: 1) the Division of the Public Advocate did not have any discussions with NRG to "conspire" to draft that section of our comments; 2) the comments are limited in focus to this proceeding and are not a matter of record before the Public Service Commission or intended to be an exhibit in an administrative proceeding at the Department of Natural Resources and Environmental Control; and 3) the comments were not meant to belittle historical efforts of groups, such as, Green Delaware, to impose stricter environmental safeguards on NRG's Indian River facility. I was merely pointing out the fact that the company has recognized that it would not be prudent to attempt to expand the Indian River facility with traditional coal fired generation technology. Thus, we were applauding this recognition.

The Division of the Public Advocate represents a broad constituent base, including low-income residential customers. Thus, we are pleased with NRG's production of low cost generation, and we support that effort until such time as it becomes feasible to migrate to similar low cost renewable generation. In the meantime, low-income households are in need of low cost generation sources as a matter of affordability.

Our discussion was helpful; and I will keep Green Delaware's concerns in mind going forward in this as well as future proceedings.

Very truly yours,

John Citrolo Deputy, Division of the Public Advocate

CC: Robert Howatt, Public Service Commission Wiliam O'brien, Public Service Commission